

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
NRA Political Victory Fund)
and Grant A. Wills, as) RAD Referral 89L-28
treasurer)
National Rifle Association -)
Institute for Legislative)
Action)

(MUR)
2991

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of October 17, 1989, do hereby certify that the Commission decided by a vote of 4-1 to take the following actions with respect to RAD Referral 89L-28:

1. Open a Matter Under Review (MUR).
2. Find reason to believe that the NRA Political Victory Fund and Grant A. Wills, as treasurer, violated 2 U.S.C. § 441b(a).
3. Find reason to believe that the National Rifle Association-Institute for Legislative Action violated 2 U.S.C. § 441b(a).

Commissioners Aikens, Josefiak, McDonald, and Thomas voted affirmatively for the decision; Commissioner Elliott dissented; Commissioner McGarry was not present at the time of the vote.

Attest:

Date: 10/18/89

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

24043594750



FEDERAL ELECTION COMMISSION

WASHINGTON D.C. 20461

November 2, 1989.

Wayne R. LaPierre, Jr.
Executive Director
National Rifle Association-
Institute for Legislative Action
1600 Rhode Island Ave., N.W.
Washington, D.C. 20036

RE: MUR 2991
National Rifle
Association-Institute for
Legislative Action

Dear Mr. LaPierre:

On October 17, 1989, the Federal Election Commission found that there is reason to believe the National Rifle Association-Institute for Legislative Action violated 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against the National Rifle Association-Institute for Legislative Action. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office along with answers to the enclosed questions within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against the National Rifle Association-Institute for Legislative Action, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

24043594751

Wayne LaPierre, Jr.
Page 2

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

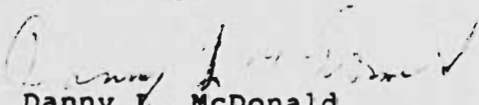
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Frania Monarski, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,


Danny L. McDonald
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form
Questions

24043594752

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)
)
) MUR 2991
)

INTERROGATORIES AND REQUEST
FOR PRODUCTION OF DOCUMENTS

TO: Wayne R. LaPierre, Jr.
Executive Director
National Rifle Association-
Institute for Legislative Action
1600 Rhode Island Avenue, N.W.
Washington, D.C. 20036

24043594753
In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, D.C. 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from July 1988 to December 1988.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

24043594754

DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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**Interrogatories and Request for
Production of Documents**

In its 1988 September Monthly Report, the NRA Political Victory Fund (the "Committee"), the separate segregated fund of the National Rifle Association ("NRA"), disclosed a \$415,744.72 disbursement on August 1, 1988 for "1988 Fundraising Expenses" to the NRA-Institutue for Legislative Action ("NRA-ILA"). In its 1988 30 Day Post-General Report, the Committee, on October 20, 1988, disclosed a receipt of \$415,744.42 as a "Refund of Fundraising Expenses" from the NRA-ILA.

1. Describe in detail the relationship between the Committee and the NRA-ILA.
 - a. Indicate the fundraising services performed by the NRA-ILA on behalf of the Committee.
 - b. Describe in detail the \$415,744.72 in "1988 Fundraising Expenses" noted in the Committee's 1988 September Monthly Report and the 1988 30 Day Post-General Report.
 - c. Provide copies of the solicitations used to request the funds in question and any other evidence that the contributions were intended or designated by the contributor for the NRA Political Victory Fund.
2. Explain by a reasonable method the source of the funds that the NRA-ILA transferred to the Committee on October 20, 1988.
 - a. State whether any of the funds that were transferred into the Committee's account included corporate or labor union contributions or individual contributions in excess of \$5,000.
3. Provide copies of all documents relating to the above questions.

24043594756



FEDERAL ELECTION COMMISSION

WASHINGTON D.C. 20463

November 2, 1989

Grant A. Wills, Treasurer
NRA Political Victory Fund
1600 Rhode Island Avenue, N.W.
Washington, D.C. 20036

RE: MUR 2991
NRA Political Victory Fund

Dear Mr. Wills:

On October 17, 1989, the Federal Election Commission found that there is reason to believe the NRA Political Victory Fund ("Committee") and you, as treasurer, violated 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against the Committee and you, as treasurer. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office along with answers to the enclosed questions within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against the Committee and you, as treasurer, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

24043594757

Grant A. Wills
Page 2

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

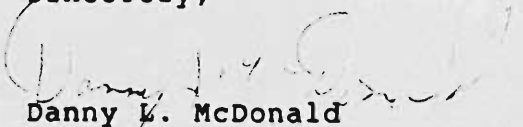
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Frania Monarski, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,


Danny L. McDonald
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form
Questions

24043594758

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)
)
) MUR 2991
)

INTERROGATORIES AND REQUEST
FOR PRODUCTION OF DOCUMENTS

TO: Grant A. Wills, Treasurer
NRA Political Victory Fund
1600 Rhode Island Avenue, N.W.
Washington, D.C. 20036

24043594759

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, D.C. 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from July 1988 to December 1988.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

24043594760

DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

24043594761

MUR 2991
Grant A. Wills, Treasurer
Page 4

**Interrogatories and Request
for Production of Documents**

In its 1988 September Monthly Report, the NRA Political Victory Fund (the "Committee"), the separate segregated fund of the National Rifle Association ("NRA"), disclosed a \$415,744.72 disbursement on August 1, 1988 for "1988 Fundraising Expenses" to the NRA-Institute for Legislative Action ("NRA-ILA"). In its 1988 30 Day Post-General Report, the Committee, on October 20, 1988, disclosed a receipt of \$415,744.42 as a "Refund of Fundraising Expenses" from the NRA-ILA.

1. Describe in detail the relationship between the Committee and the NRA-ILA.

- a. Indicate the fundraising services performed by the NRA-ILA on behalf of the Committee.
- b. Describe in detail the \$415,744.72 in "1988 Fundraising Expenses" noted in the Committee's 1988 September Monthly Report and the 1988 30 Day Post-General Report.
- c. Provide copies of the solicitations used to request the funds in question and any other evidence that the contributions were intended or designated by the contributor for the NRA Political Victory Fund.

2. State whether any of the funds that the NRA-ILA transferred to the Committee on October 20, 1988 included corporate or labor union contributions or individual contributions in excess of \$5,000.

3. Provide copies of all documents relating to the above questions.

24043594762



OGC 4613
RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

89 NOV 20 AM 2:35

NATIONAL RIFLE ASSOCIATION OF AMERICA

1600 RHODE ISLAND AVENUE, N.W.

WASHINGTON, D.C. 20036

November 20, 1989

OFFICE OF THE
GENERAL COUNSEL

TELEPHONE (202) 828-6301
TELEFAX (202) 861-0306

Federal Election Commission
Attn: Frania Monarski
999 E Street, N.W., 6th Floor
Washington, D.C. 20463

Re: MUR 2991
NRA Political Victory Fund

Dear Ms. Monarski:

We received on November 7, 1989, the FEC's letter dated November 2, 1989, in the above-referenced matter.

We request an extension of time until November 30, 1989, to answer the FEC's interrogatories and request for production of documents. I was out of town last week on account of my father's death. Today I discussed the request for an extension of time with Sandra Robinson.

Enclosed please find the statement of designation of counsel.

Thank you for your cooperation.

Sincerely,

Robert Dowlut

Robert Dowlut
Deputy General Counsel

RD/ga

Encl.

24043594763

STATEMENT OF DESIGNATION OF COUNSEL

NUR 2991 NRA Political Victory Fund

NAME OF COUNSEL: Robert Dowlut

ADDRESS: 1600 Rhode Island Ave., N.W., 7th Floor
NRA's Office of General Counsel
Washington, D.C. 20036

TELEPHONE: 828-6345

The above-named individual is hereby designated as my
counsel and is authorized to receive any notifications and other
communications from the Commission and to act on my behalf before
the Commission.

20 Nov. 1989

Date

Grant Wills
Signature

RESPONDENT'S NAME: Grant Wills

ADDRESS: Treasurer NRA Political Victory Fund
1600 Rhode Island Ave., N.W.
Washington, D.C. 20036

HOME PHONE: _____

BUSINESS PHONE: 828-6066

24043594764

STATEMENT OF DESIGNATION OF COUNSEL

NUR 2991 National Rifle Assn. - Institute for Legis. Action

NAME OF COUNSEL: Robert Dowlut

ADDRESS: 1600 R. I. Ave., N.W., 7th Floor

NRA's Office of General Counsel

Washington, D.C. 20036

TELEPHONE: 828-6345

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

20 Nov. 1089

Date

Signature

RESPONDENT'S NAME: Wayne R. LaPierre, Jr.

ADDRESS: Exec. Dir. NRA - Inst. for Legis. Action

1600 Rhode Island Ave., N.W.

Washington, D.C. 20036

HOME PHONE:

BUSINESS PHONE: 828-6320

24043594765



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 22, 1989

Robert Dowlut, Esq.
National Rifle Association
Office of General Counsel
1600 Rhode Island Avenue, N.W.
Washington, D.C. 20036

RE: MUR 2991
National Rifle
Association-NRA Political
Victory Fund and Grant
Wills, as treasurer

National Rifle
Association-Institute for
Legislative Action and
Wayne R. LaPierre, as
Executive Director

Dear Mr. Dowlut:

This is in response to your letter dated November 20, 1989, which we received on November 20, 1989, requesting an extension until November 30, 1989 to respond to MUR 2991. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by the close of business on November 30, 1989.

If you have any questions, please contact Frania Monarski, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

A handwritten signature in dark ink, appearing to read "L. G. Lerner", is written over the typed name of Lois G. Lerner.

BY: Lois G. Lerner
Associate General Counsel

24043594766



NATIONAL RIFLE ASSOCIATION OF AMERICA

1600 RHODE ISLAND AVENUE, N.W.

WASHINGTON, D.C. 20036

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

89 NOV 30 PM 12:20

OGC 4712

OFFICE OF THE
GENERAL COUNSEL

November 30, 1989

TELEPHONE (202) 828-6301
TELEFAX (202) 881-0306

Federal Election Commission
Attn: Frania Monarski
999 E Street, N.W., 6th Floor
Washington, D.C. 20463

Re: MUR 2991

Dear Ms. Monarski:

Enclosed please find the separate responses of Grant A. Wills and Wayne R. LaPierre to your interrogatories and request for production of documents.

Sincerely,

Robert Dowlut
Deputy General Counsel

RD/ga

Enclosures

24043594767



NRA Political Victory Fund

P.O. Box 2019, Washington, D.C. 20013

FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
89 NOV 30 PM 12:20

City of Washington)
) ss:
District of Columbia)

Re: MUR 2991

Comes now Grant Wills, Treasurer of the National Rifle Association of America Political Victory Fund, and after being duly sworn deposes and states the following:

The following is my response to the interrogatories provided by the FEC:

1. The relationship between the Political Victory Fund and NRA-ILA was established when NRA's Board of Directors directed ILA to establish and administer the Political Victory Fund, a separate segregated fund. The Board of Trustees of the NRA Political Victory Fund consists of five members, all of whom shall be employees of NRA-ILA.

1. a. The fundraising service provided by NRA-ILA on behalf of the Committee was to initially pay for production costs and postage of two PVF fundraisers. This is part of ILA's administration of the PVF.

1. b. The detail costs are as follows:

24043594768

(1) \$132,756.17 - Production Costs, March Fundraiser.

(2) 91,315.05 - Production Costs, March Fundraiser.

(3) 90,119.56 - Postage for Roll-Out of March
Fundraiser

(4) \$101,553.94 - Postage, July Fundraiser.

TOTAL \$415,744.72

1. c. Attached are the copies of the March and July
Fundraisers.

2. None of the funds transferred on October 20, 1988,
included corporate or labor union contributions or individual
contributions in excess of \$5,000.00.

3. See 1.c. above. Attached are copies of the cancelled
checks.

The above statements are true and correct, to the best of my
knowledge.

Grant A. Wills

Grant A. Wills
PVF Treasurer

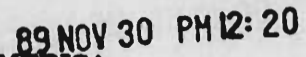
Subscribed to and sworn before me, a notary public,
this 29th day of November, 1989.

Denise Lea

Notary Public

My commission expires: July 14, 1994

24043594769



1. a. The fundraising service provided by NRA-ILA on behalf of the Committee was to initially pay for production costs and postage of two PVF fundraisers. This is part of ILA's administration of the PVF.

1. b. The detail costs are as follows:

(1) \$132,756.17 - Production Costs, March Fundraiser.

(2) 91,315.05 - Production Costs, March Fundraiser.

(3) 90,119.56 - Postage for Roll-Out of March
Fundraiser

(4) \$101,553.94 - Postage, July Fundraiser.

TOTAL \$415,744.72

1. c. Attached are the copies of the March and July
Fundraisers.

2. The October 20, 1988, transaction was a return by ILA to the PVF of monies which the PVF had previously reimbursed to ILA on August 1, 1988, for expenses ILA had incurred in soliciting contributions to the PVF. The August 1, 1988, payment was not the payment of a solicitation or other administrative expense from its own account within the meaning of 11 C.F.R. §114.5 (b)(3). Rather, since ILA or PVF could have paid the costs of soliciting contributions in view of 2 U.S.C.A. §441b (b)(2)(C), the August 1, 1988, payment to ILA was merely a reimbursement for expenses the PVF could have paid but initially chose not to. Hence, the October 20, 1988, payment simply returned that reimbursement since the PVF determined, between August 1, 1988, and October 20, 1988, that it should have adhered to its decision to reimburse ILA.

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2. a. None of the funds transferred on October 20, 1988, included corporate or labor union contributions or individual contributions in excess of \$5,000.00.

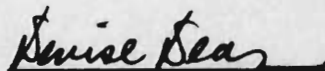
3. See l.c. above. Attached are copies of the cancelled checks.

The above statements are true and correct, to the best of my knowledge.



Wayne R. LaPierre
Executive Director, NRA-ILA

Subscribed to and sworn before me, a notary public,
this 29th day of November, 1989.



Notary Public

My commission expires: July 14, 1994

24043594772

NRA POLITICAL VICTORY FUND

**1600 Rhode Island Ave., N.W.
Washington, D.C. 20036**

NRA-PVF Fighting For Your Rights

3 / 1 4 6 5 3 4 0 4 6

2 4 0 4 3 5 9 4 7 7 4

A POLITICAL VICTORY FUND SUSTAINING MEMBERSHIP

Did You Receive
This CARD in March?

CARRY YOUR CARD WITH PRIDE
NRA-PVF IS FIGHTING FOR YOUR RIGHTS

FIGHTING FOR YOUR RIGHTS

***** 5-DIGIT 91763



PLEASE DETACH HERE AND RETURN BOTTOM PORTION WITH YOUR CONTRIBUTION

Dear [REDACTED],

Remember ILA's and NRA's funds cannot be used in political campaigns, so we must have your help.

Willard, it is people like you who care the most -- who are responsible for keeping America free. And because of your support, the right of every American citizen to keep and bear arms is still with us today.

I hope you will enclose your contribution for \$27.35 made payable to "NRA-PVF" so we can carry on our election battles for 1988.

Contribution enclosed from: [REDACTED]

- I did not receive my first membership card, please send another.
- I received my first card but misplaced it, please send another.

NRA's Political Victory Fund is:

- ★ **POWER** to elect pro-gun friends to Congress and the state legislatures and defeat foes of firearms freedom
- ★ **CLOUT** in the 1988 national and state elections through direct contributions to candidates who share our Second Amendment beliefs
- ★ **ACTION** through "1988 ELECTION ALERTS" to help you cast an informed vote to protect your rights in the White House, Congress, and the state capitals

**CONTRIBUTE TO THE NRA-PVF TODAY —
PROTECT YOUR RIGHTS!**

The Federal Election Commission requires that the following information be requested for contributions made in excess of \$200.00 in the calendar year:

Occupation: _____

Employer: _____

☐ Please check here if the business is not a corporation.

Signature: _____



NRA POLITICAL VICTORY FUND

Ben Franklin Station
Post Office Box 7396
Washington, D.C. 20044-7396

Dear NRA Member:

I hope as you and your family celebrated the Fourth of July, you paused for a moment to remember that our freedoms have not come cheap. And there is a fragile line between keeping them and losing them.

I want you to remember although you celebrated your freedoms on the Fourth of July, there are politicians working right now in this country to deprive you of one of your most basic freedoms -- your right to own a firearm.

The job of keeping those freedoms belongs to you and the NRA Political Victory Fund. And that job will put us on the front line of every political battle in every state of the union.

In twenty-five states, challengers and incumbent Senators like Ted Kennedy, Howard Metzenbaum, and Frank Lautenberg are seeking election or re-election to the Senate. And they are committed to taking away your right to own a firearm.

In one hundred congressional districts around the country, our strongest supporters are being challenged by gun ban candidates over their right to represent you.

The Fourth of July should be a constant reminder of the sacrifices that are needed by our candidates and by their supporters to preserve the freedoms that were won by past generations of Americans.

Last March I sent you a letter asking for your help for the NRA Political Victory Fund. The NRA Political Victory Fund Treasurer, Grant Wills, gave me a list yesterday of those who had responded to our call for help. I am sending you this letter because your name was not on that list.

I hope you received my first letter because it contained your NRA Political Victory Fund Sustaining Membership card.

This letter to you is terribly important since we only get to write to you twice every twenty-four months for the Political Victory Fund. This may be the last time I get to write to you this election year for the NRA-PVF.

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Without your active help, many of the Congressman and Senators who have fought relentlessly to keep your gun rights may be defeated this year.

Federal law does not allow the NRA-PVF to use NRA membership dues or any of the funds you contribute to the NRA Institute for Legislative Action. NRA-PVF is the only fund that can be used by the NRA to help our friends in Congress and fight our enemies in the November elections.

Our enemies are supported by newspaper publishers, columnists and reporters who are not only anti-gun, they are total hypocrites.

Imagine the gall of someone like Carl Rowan who for years was saying anyone who owned a handgun should be jailed while all the time he owned one for personal protection purposes!

Imagine the hypocrisy of Carl Rowan criticizing all of our supporters and friends for owning a firearm for personal protection when in spite of his words, he felt the need to do the same thing. People like Carl Rowan have proven they don't even believe what they are saying!

And Carl Rowan is not alone in his hypocricies. Take Chief Publisher, Arthur O. Sulzberger of the New York Times, a newspaper that despises you and every other NRA member. Sulzberger travels by limo -- not by subway -- and is one of the very few in New York City allowed to possess a permit to carry a concealed firearm.

And most of the rich millionaires who serve in the Senate, men like Kennedy, Lautenberg and Metzenbaum, think nothing of spending tens of thousands of dollars to protect their families, or hiring armed guards whenever they feel fear.

But they want to deny the average American -- who rides the subway and walks the streets of our cities and towns, and cannot afford to spend money on a protection system for his wife and children when he has to travel -- the right to defend himself and his family when they feel the same fears.

How can any candidate possibly justify attempting to deprive a law-abiding American citizen of the opportunity to choose whether or not they can own a firearm for personal protection purposes!

Right now in Washington, D.C., and other places like New York City, the average citizen lives in daily fear of crime. Yet those Congressmen and Senators who want to take away your firearms live behind elaborate security systems, elaborate protection services, and some -- like Carl Rowan -- when it comes to their own situation, will own a gun in violation of a law they campaigned for.

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I can't think of a right more basic than your right to defend your life from criminal attack, and I can't think of a freedom more essential than the choice of whether you own a firearm to protect yourself. No gun law will ever impact upon criminals. They skirt the system and laugh at it.

It is time to bring the gun control crowd in Congress face to face with America. It is time to defeat them one by one at the polls -- the Ted Kennedys, Frank Lautenbergs, and Howard Metzenbaums of the world. It is time to let these elitists hear the common sense of Americans when it comes to rights as fundamental as the preservation of life and liberty.

When it comes to issues like guns and hunting, it doesn't matter if your party label is Democrat or Republican. If you want to ban guns, you're out of touch with real Americans.

The absolute best way for you as an American gun owner to make an impact on the 1988 elections is to join with the NRA Political Victory Fund in helping us defeat those candidates who want to deprive you and me of our American freedom to own firearms.

You and I as gun owners have just come through months of distortions and lies from the anti-gun lobby. They have hurled outrageous charges against the NRA attempting to turn the public against America's firearms owners.

This is a critical election for American firearms owners. Handgun Control, Inc., the National Coalition to Ban Handguns, Sarah Brady, Carl Rowan, Ted Kennedy and others will all be on the scene working to defeat our friends and supporters in Congress. They will be working to replace our supporters with Ted Kennedy clones who have your firearms at the top of their confiscation agenda.

The question I want to ask you is will you be there with us to fight them?

As an NRA member and gun owner, I am asking you to respond to this letter and send a contribution to the NRA Political Victory Fund.

The NRA Political Victory Fund is on the front lines of firearms freedom in America. It is Paul Revere alerting American gun owners to the impending attacks; it is George Patton taking the fight to the other side; and it is liberty for the mother living in the ghetto who has to protect herself and her children from drug dealers and drug users.

Like it or not, the ability to protect firearms in America depends on having the dollars to fight the anti-gunners. I can think of nothing more essential this election year than your

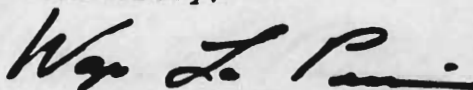
donating to the NRA Political Victory Fund.

I'm going to repeat something I've said before in my first letter, but I can't think of a better way to say it:

The key to defeat for the anti-gunners is now in your hands. You have the 1988 NRA Political Victory Fund Sustaining Membership card, but it is worthless without your contribution to back it up. I ask you to send a contribution to the NRA Political Victory Fund and carry the NRA-PVF card proudly.

Your contribution will mean that people like Kennedy, Metzenbaum and Lautenberg will have to fight us and our members at the polls on Election Day. And that's a battle we have proven before we can win!

Sincerely,



Wayne LaPierre
Chairman, Board of Trustees

P.S. Handgun Control, Inc., has asked its members for \$26.35. I am asking you for \$27.35 or whatever you can afford to help us support our friends, beat our enemies and silence the hypocrites that would take your guns away.

Contributions to NRA/PVF are not deductible as charitable contributions for federal income tax purposes.

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NRA POLITICAL VICTORY FUND

**1600 Rhode Island Ave., N.W.
Washington, D.C. 20036**

7A8G2 08



44043594700

1988 NRA POLITICAL VICTORY FUND SUSTAINING MEMBERSHIP

Please enclose your
contribution for \$27.35
to NRA-PVF

1988 FIGHTING FOR YOUR RIGHTS



Peel off
card here

CARRY YOUR CARD WITH PRIDE
NRA-PVF IS FIGHTING FOR YOUR RIGHTS

PLEASE DETACH HERE AND RETURN BOTTOM PORTION WITH YOUR CONTRIBUTION

Dear [REDACTED],

Remember ILA's and NRA's funds cannot be used in political campaigns.

[REDACTED], it is people like you who care the most -- who are responsible for keeping America free. And because of your support, the right of every American citizen to keep and bear arms is still with us today.

Please enclose your contribution for \$27.35 made payable to "NRA-PVF" so we can carry on our election battles for 1988.

Contribution enclosed from: [REDACTED]

YES! I want to see the NRA-PVF go all out to take on Ted Kennedy.

NO! I don't believe we should spend money on trying to beat Ted Kennedy.

Please make checks payable to: NRA-PVF • No Corporate Checks only Personal Checks Are Accepted • Checks ONLY/Please DO NOT Send Cash



NRA POLITICAL VICTORY FUND

Ben Franklin Station
Post Office Box 7396
Washington, D.C. 20044-7396

Dear NRA-PVF Supporter:

I have enclosed in this letter your 1988 NRA-PVF Sustaining Membership card. I hope you will carry it with all the pride I know you feel in defending guns and hunting and our Second Amendment heritage.

The enclosed NRA Political Victory Fund card symbolizes our ability to defeat one anti-gun fanatic after another as we have proven in past elections.

But this year, Handgun Control, Inc., is bragging that all 10 of their anti-gun mouthpieces in the U.S. Senate are unbeatable.

Our biggest foe -- Howard Metzenbaum -- is up for re-election, but is not unbeatable! Neither is his anti-gun buddy in the House, Bill Hughes of New Jersey, who is also up for re-election, along with other prominent anti-gunners such as Ted Kennedy of Massachusetts, Frank Lautenberg of New Jersey, John Chaffe of Rhode Island and dozens of others.

And no matter what HCI says -- they are not unbeatable!

These are politicians that have tried in the American press and in the halls of Congress to make you and I, the law-abiding gun owners, seem like terrorists and street criminals because we want to exercise our constitutional right to own a firearm in America.

These are the politicians who want to lable us vigilantes for simply stating we have an inherent right to defend our homes and families in case of criminal attack. These are the type of politicians that the NRA-PVF and you can defeat. These are the ones who wouldn't know the real world outside Washington, D.C., if it hit them in the face.

I don't want you to think this job is going to be easy. The ground rules under which we have to fight this battle are tough, and I want you to be aware of them:

First, federal law does not allow us to use NRA membership dues or any of the funds you contribute to the NRA Institute for Legislative Action. NRA-PVF is the only fund that can be used by the NRA to help our friends in Congress and fight our enemies in the November elections.

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Second, I hope you remember that we haven't written you asking for help to re-elect our friends and defeat our enemies since October 1986.

We only mail to you twice every two years for the NRA-PVF asking for the critical funds needed to beat the Kennedys, Metzenbaums and Rodinos of the world -- and we do intend to beat them!

I know how substantial the burden and the responsibility is for supporting the NRA-PVF, but your help is essential. I know with all the mail you get for NRA-ILA's ongoing lobbying campaigns -- which are very expensive -- many supporters like you may feel that you've been so generous that you've done enough.

But you must realize this usually means that only 10% of our members give the NRA Political Victory Fund any money. Yet, it is the NRA-PVF, and only the NRA-PVF, that can defeat our enemies and elect our friends. That's why your contribution and this Sustaining Membership card are so important.

One of the reasons that HCI is so confident they can beat us this time is that 14 of our strongest supporters in the U.S. Senate, and 210 Members of Congress who are NRA supporters, are up for re-election.

HCI believes they only have to defeat three pro-NRA Senators this election year in order to defeat us on a gun ban bill in the Senate.

Polls show that they have a chance of beating our Senate supporters in Nebraska and Nevada. In Minnesota, anti-gun Attorney General Hubert Humphrey, Jr., is making that state's race for the Senate too close to call.

If they win these three seats, they believe they can pass a gun ban bill.

We cannot let them win!

As you read this letter, Senator Metzenbaum of Ohio is pushing his gun ban bill to another vote and is promising wavering Congressmen and Senators the political support of HCI.

The strongest statement you and I can make for our gun rights is to defeat those who sell out to Metzenbaum -- and to defeat Metzenbaum himself.

I hope you are willing to help us just as generously as you did in 1986. If you do, we will have the funds to help our friends and defeat some of the Senators who HCI and the anti-gun press think are unbeatable.

2 4 0 4 3 5 9 4 7 3 4

I believe -- with your help and enough financial resources -- we can win Senate victories in Wisconsin, Florida and Washington where gun prohibitionist Senators are retiring.

And now let me talk to you about Ted Kennedy. I know a lot of the political advice has been to stay out of the Senate race in Massachusetts -- we keep being told it is not winnable. I personally think if anyone has the guts to run against Ted Kennedy, we should have the guts to help them.

But I don't want to waste one penny of NRA-PVF money against a Senator who could use his personal fortune to win -- no matter how much we spend against him. That's why I have put a special box on the reply form for you to indicate whether or not NRA-PVF should go all out to beat Ted Kennedy this year.

I must warn you that HCI, Howard Metzenbaum, Ted Kennedy and Peter Rodino are already hard at work planning a campaign to defeat some of our strongest supporters in the U.S. Congress. So we must have your contribution immediately.

They are using lies, innuendoes, and misinformation, and we can expect their tactics to worsen before the election year is over.

They are already engaged in one of the dirtiest smear campaigns I have ever seen. The battle has already started and will be fought daily through November.

In 1986, I asked you to write a check for \$26.35 -- the same figure HCI was asking for in their national appeal to defeat our friends.

This year I am asking you to send the NRA-PVF \$27.35 because of the additional burden on the NRA-PVF in defending our friends against HCI's lies and smear campaign.

And if we have an extra dollar from everyone who helped in 1986, we will have the funds to help our friends and defeat our enemies and even wage a campaign against Ted Kennedy.

I know you are willing to stand with those members of Congress who are our friends and that you are willing to work to defeat those who are our enemies.

The NRA Political Victory Fund needs your help. America needs your help. The members of Congress who have been proud to stand with you in fighting for your firearms rights need your help.

The key to defeat for the anti-gunners is now in your hands.

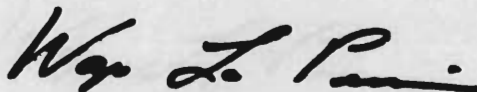
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You have the 1988 NRA Political Victory Fund Sustaining Membership card, but it is worthless without your contribution to back it up. I ask you to send a contribution to the NRA Political Victory Fund and carry the NRA-PVF card proudly.

Don't forget, when you send in your check, let me know if you also want us to take on Ted Kennedy who, if he gets re-elected, will have six more years to work at taking away your gun rights.

Your contribution will mean that people like Kennedy, Metzenbaum, Lautenberg, Hughes, and Rodino will have to fight us and our members at the polls on Election Day. And that's a battle we have proven before we can win!

Sincerely,



Wayne LaPierre
Chairman, Board of Trustees

P.S. You have the NRA-PVF Sustaining Membership card in your hand. Make it mean something throughout America by sending your contribution to the NRA Political Victory Fund today. Your check will make the NRA-PVF card feared by anti-gunners throughout America!

N.R.A. POLITICAL VICTORY FUND
1600 RHODE ISLAND AVENUE, N. W.
WASHINGTON, D.C. 20036

No 6744

August 1, 1988

18-62/640

PAY
TO THE
ORDER OF

NRA/ILA

\$ 415,744.72

Four hundred fifteen thousand seven hundred fo rty four and 72/100-----DOLLARS

NS&T BANK N.A.
WASHINGTON, D.C. 20005

Terrill O'Grady
May Rose Johnson

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CREDIT BANK
0560-0107-0

AG '88' 01 P
18-62 PAY ANY BANK
THE NORTHERN BANK
WASHINGTON, D.C. 20005

FOR DEPOSIT TO THE CREDIT OF
NATIONAL RIFLE ASSOCIATION
NRA POLITICAL VICTORY FUND
1600 RHODE ISLAND AVENUE, N.W.
WASHINGTON, D.C. 20036

**NRA - INSTITUTE FOR
LEGISLATIVE ACTION**

1600 RHODE ISLAND AVE., N.W., 7TH FLOOR
WASHINGTON, D.C. 20036

RIGGS

The Paper Money Bank
1120 VANDERBILT ST.
WASHINGTON D.C. 20004

23657

Oct 19 19 88

15-3/540

PAY FOUR HUNDRED FIFTEEN THOUSAND SEVEN HUNDRED FORTY FOUR & 42/100---

DOLLAR 415,744.42

TO
THE
ORDER
OF

NRA/PVF

James Say Baker
James Say Baker

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FOR DEPOSITS ONLY
N.A. POLITICAL MONEY FUND
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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
NRA Political Victory Fund and) MUR 2991
Grant A. Wills, as treasurer)
)
National Rifle Association-)
Institute for Legislative Action)

SENSITIVE

COMPREHENSIVE INVESTIGATIVE REPORT

On July 7, 1989, the Reports Analysis Division referred the NRA Political Victory Fund (the "Committee"), the separate segregated fund of the National Rifle Association ("NRA"), and Grant A. Wills, as treasurer, to this Office. On October 17, 1989, the Commission found reason to believe that the NRA Political Victory Fund and Grant A. Wills, as treasurer, violated 2 U.S.C. § 441b(a). At that same time, the Commission also found reason to believe that the National Rifle Association-Institute for Legislative Action ("NRA-ILA") violated 2 U.S.C. § 441b(a). Moreover, the Commission approved and sent interrogatories to the Committee and the NRA-ILA.

On November 30, 1989, the Committee and the NRA-ILA submitted answers to the Commission's interrogatories. Neither the Committee or the NRA requested pre-probable cause conciliation in this matter. No further response is expected from the Committee or the NRA-ILA.

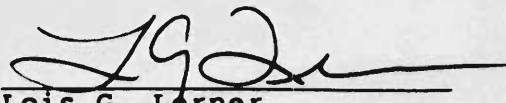
This Office is in the process of preparing briefs to be sent to the NRA Political Victory Fund and Grant A. Wills, as treasurer, and the National Rifle Association-Institute for

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Legislative Action. After responses are received, this Office will prepare a report for the Commission with the appropriate recommendations.

Lawrence M. Noble
General Counsel

1-25-90
Date

BY: 
Lois G. Lerner
Associate General Counsel

Attachment
1. Responses

Staff assigned: Frania Monarski

24043594789



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

TO: LARRY NOBLE, GENERAL COUNSEL
FROM: MARJORIE W. EMMONS/DELORES HARRIS *DH*
SECRETARY OF THE COMMISSION
DATE: JANUARY 30, 1990
SUBJECT: MUR 2991 - COMPREHENSIVE INVESTIGATIVE REPORT
DATED JANUARY 25, 1990.

The above-captioned matter was received in the
Commission Secretariat at 11:42 a.m. on January 26, 1990
and circulated on a 24-hour no-objection basis at
11:00 a.m. on Monday, January 29, 1990.

There were no objections to the above-captioned
matter.

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BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of)

NRA Political Victory Fund and)
Grant A. Wills, as treasurer)

MUR 2991

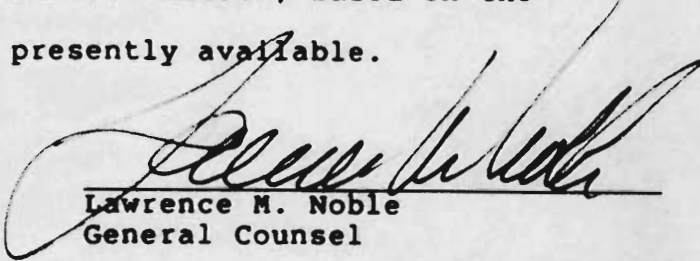
National Rifle Association -)
Institute for Legislative Action)

GENERAL COUNSEL'S REPORT

The Office of the General Counsel is prepared to close the investigation in this matter as to the NRA Political Victory Fund and Grant A. Wills, as treasurer, and the National Rifle Association-Institute for Legislative Action, based on the assessment of the information presently available.

Date

2/6/90


Lawrence M. Noble
General Counsel

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90 FEB 12 AM 9:19



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

SENSITIVE

February 9, 1990

MEMORANDUM

TO: The Commission
FROM: Lawrence M. Noble
General Counsel
SUBJECT: MUR 2991

A handwritten signature, likely of Lawrence M. Noble, is written over the "FROM:" line of the memorandum.

Attached for the Commission's review is a brief stating the position of the General Counsel on the legal and factual issues of the above-captioned matter. A copy of this brief and a letter notifying the respondents of the General Counsel's intent to recommend to the Commission a finding of probable cause to believe were mailed on February 9, 1990. Following receipt of the respondents' reply to this notice, this Office will make a further report to the Commission.

Attachments

1. Brief
2. Letter to respondents

Staff Person: Frania Monarski

24043594792



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 9, 1990

Robert Dowlut, Deputy General Counsel
National Rifle Association of America
1600 Rhode Island Avenue, N.W.
Washington, D.C. 20036

RE: MUR 2991
NRA Political Victory Fund
and Grant A. Wills, as
treasurer

National Rifle Association
Institute for Legislative
Action

Dear Mr. Dowlut:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, and information supplied by your clients, the NRA Political Victory Fund and Grant A. Wills, as treasurer, and the National Rifle Association-Institute for Legislative Action, on 1990, the Federal Election Commission found reason to believe that your clients, the NRA Political Victory Fund and Grant A. Wills, as treasurer, and the National Rifle Association-Institute for Legislative Action, violated 2 U.S.C. § 441b(a), and instituted an investigation in this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find probable cause to believe that violations have occurred.

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Robert Dowlut
Page 2

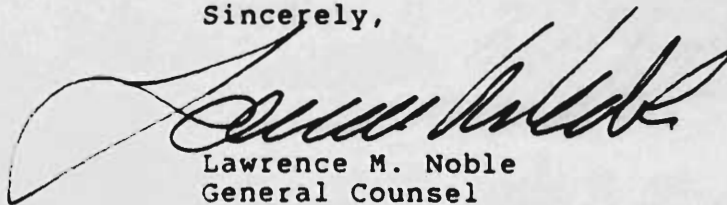
The Commission may or may not approve the General Counsel's recommendation. Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within 15 days of your receipt of this notice, you may file with the Secretary of the Commission a brief (ten copies if possible) stating your position on the issues and replying to the brief of the General Counsel. (Three copies of such brief should also be forwarded to the Office of the General Counsel, if possible.) The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of whether there is probable cause to believe a violation has occurred.

If you are unable to file a responsive brief within 15 days, you may submit a written request for an extension of time. All requests for extensions of time must be submitted in writing five days prior to the due date, and good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

A finding of probable cause to believe requires that the Office of the General Counsel attempt for a period of not less than 30, but not more than 90 days, to settle this matter through a conciliation agreement.

Should you have any questions, please contact Frania Monarski, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Lawrence M. Noble
General Counsel

Enclosure
Brief

24043594794

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
NRA Political Victory Fund and) MUR 2991
Grant A. Wills, as treasurer)
)
National Rifle Association -)
Institute for Legislative Action)

GENERAL COUNSEL'S BRIEF

I. STATEMENT OF THE CASE

On October 17, 1989, the Commission found reason to believe that the NRA Political Victory Fund (the "Committee"), the separate segregated fund of the National Rifle Association ("NRA"), and Grant A. Wills, as treasurer, violated 2 U.S.C. § 441b(a) by accepting corporate contributions. On that same date, the Commission found reason to believe that the National Rifle Association-Institute for Legislative Action ("NRA-ILA") violated 2 U.S.C. § 441b(a) by making corporate contributions to a federal political committee.

On November 30, 1989, the Committee and the NRA-ILA submitted responses to the Commission's findings and answers to the interrogatories.

II. ANALYSIS

The Federal Election Campaign Act of 1971, as amended (the "Act"), prohibits corporations from making contributions or expenditures in connection with a federal election and prohibits political committees from knowingly accepting prohibited corporate contributions or expenditures. 2 U.S.C. § 441b(a). Pursuant to 2 U.S.C. § 441b, the term "contribution or expenditure" does not include the establishment, administration

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and solicitation of contributions by a corporation for its separate segregated fund to be utilized for political purposes. 2 U.S.C. § 441b(b)(2)(C). Commission Regulations provide that a corporation may use general treasury monies for the establishment, administration and solicitation of contributions to its separate segregated fund. 11 C.F.R. § 114.5(b). If the separate segregated fund pays any solicitation or other administrative expenses from its own account, which expenses could be paid for as administrative expenses by the collecting agent, the collecting agent may reimburse the separate segregated fund no later than thirty (30) calendar days after the expenses are paid by the separate segregated fund. 11 C.F.R. § 114.5(b)(3).

In the present matter, the Committee, in its 1988 September Monthly Report, disclosed a \$415,744.72 disbursement on August 1, 1988 for 1988 Fundraising Expenses to the NRA-ILA. In its 1988 30 Day Post-General Election Report, the Committee disclosed a receipt of \$415,744.42 on October 20, 1988 from the NRA-ILA. The Committee noted in the report entry that the money was for a refund of fundraising expenses.

In sworn responses to the Commission's interrogatories, the Committee and the NRA-ILA explain that the NRA's Board of Directors directed the NRA-ILA to establish the Political Victory Fund as a separate segregated fund. The Board of Trustees of the Committee is composed of five members, all of whom are employees of the NRA-ILA. The Committee lists the National Rifle Association of America as its connected organization on its

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Statement of Organization. The NRA is incorporated in New York and authorized to do business in the District of Columbia. The NRA-ILA, the lobbying arm of the NRA, operates from a corporate account. See Federal Election Commission v. National Rifle Association, No. 85-1018, slip op. at 3 n.1 (D.D.C. July 27, 1989).

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The Committee and the NRA-ILA state the NRA-ILA initially paid for production costs and postage for two of the Committee's solicitations. The Committee and the NRA-ILA indicate that the NRA-ILA paid \$132,756.17 in production costs for the March fundraiser, an additional \$91,315.05 in production costs for the March fundraiser,¹ \$90,119.56 in postage for "roll-out" of the March fundraiser and \$101,533.94 in postage for the July fundraiser for a total of \$415,744.72. The NRA-ILA does not indicate the date on which it initially made these payments for production costs and postage. On August 1, 1988, the Committee reimbursed the NRA-ILA for the expenses incurred by the NRA-ILA in connection with these two fundraisers. The NRA-ILA further states in its response that the October 20, 1988 payment from the NRA-ILA to the Committee was a return of the Committee's reimbursement. Both the Committee and the NRA-ILA further note that the funds transferred from the NRA-ILA to the Committee did not include corporate or labor union contributions or individual

1. This Office notes that the attorney representing the NRA, in a telephone conversation with staff from this Office, explained that both the \$132,756.17 and the \$91,315.05 represent payments for the production costs for the March fundraiser. The NRA-ILA did not pay any production costs for the Committee's July fundraiser.

contributions in excess of \$5,000.²

In accordance with the Act, either the Committee or the NRA-ILA could have initially paid the costs for the two solicitations in question. Pursuant to 2 U.S.C. § 114.5(b)(3), if the Committee initially paid the solicitation costs, the NRA-ILA could have reimbursed the Committee within thirty days after the expenses were paid by the Committee. Section 114.5(b)(3) of the Commission Regulations does not appear to be applicable to the facts in this matter because the NRA-ILA, not the Committee, initially paid for the costs of the solicitations.

Although the Committee and the NRA-ILA indicate that the funds transferred did not include corporate or labor union contributions, the NRA itself is a corporation. Accordingly, based on the foregoing analysis, the Committee accepted a corporate contribution of \$415,744.42 from the NRA-ILA when the NRA-ILA tried to return the reimbursement to the Committee on October 20, 1988. Therefore, there is probable cause to believe that NRA Political Victory Fund and Grant A. Wills, as treasurer, violated 2 U.S.C. § 441b(a) by accepting corporate contributions totaling \$415,744.42 from the NRA-ILA. Furthermore, there is probable cause to believe that the National Rifle

2. This Office notes that the United States District Court for the District of Columbia granted the summary judgment motion of the Commission in Federal Election Commission v. National Rifle Association, No. 85-1018, slip op. (D.D.C. July 27, 1989). The court upheld the Commission's finding that the NRA and the NRA-ILA used corporate treasury funds to pay for various election related activities in connection with federal elections during the 1978, 1980 and 1982 election cycles.

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Association-Institute for Legislative Action violated 2 U.S.C.
§ 441b(a) by making corporate contributions totaling \$415,744.42
to a federal political committee.

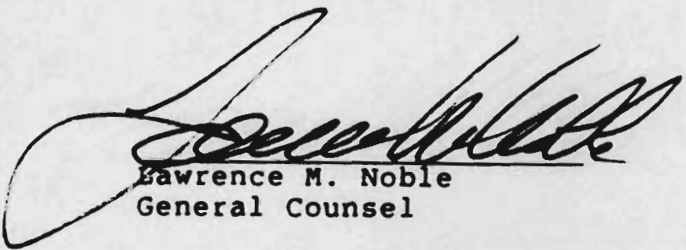
III. GENERAL COUNSEL'S RECOMMENDATIONS

1. Find probable cause to believe that the NRA Political
Victory Fund and Grant A. Wills, as treasurer, violated 2 U.S.C.
§ 441b(a).

2. Find probable cause to believe that the National Rifle
Association-Institute for Legislative Action violated 2 U.S.C.
§ 441b(a).

Date

2/9/90


Lawrence M. Noble
General Counsel

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RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

NATIONAL RIFLE ASSOCIATION OF AMERICA
1600 RHODE ISLAND AVENUE, N.W.
WASHINGTON, D.C. 20036

90 FEB 26 AM 9:37

OFFICE OF THE
GENERAL COUNSEL

February 20, 1990

TELEPHONE (202) 828-6301
TELEFAX (202) 861-0306

Federal Election Commission
Attn: Frania Monarski
999 E Street, N.W. 6th Floor
Washington, D.C. 20463

Re: MUR 2991

Dear Ms. Monarski:

This office received the February 9, 1990, letter and brief from the General Counsel of the FEC on February 14, 1990.

Because of the need to consult with key people, and the press of other work, NRA Political Victory Fund and the NRA Institute for Legislative Action request on extension of time until March 12, 1990, to file a responsive brief.

Thank you for your cooperation.

Sincerely,

Robert Dowlut
Deputy General Counsel

RD/tn

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RECEIVED
FEDERAL ELECTION COMMISSION

24043594800



FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

February 27, 1990

Robert Dowlut, Deputy General Counsel
National Rifle Association of America
1600 Rhode Island Avenue, N.W.
Washington, D.C. 20036

RE: MUR 2991
NRA Political Victory Fund
and Grant A. Wills, as
treasurer

National Rifle Association
Institute for Legislative
Action

Dear Mr. Dowlut:

This is in response to your letter dated February 20, 1991, which we received on February 26, 1990, requesting an extension until March 12, 1990, to respond to MUR 2991. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by the close of business on March 12, 1990.

If you have any questions, please contact Frania Monarski, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

BY: 
Lois G. Lerner
Associate General Counsel

24043594801

NATIONAL RIFLE ASSOCIATION OF AMERICA

1600 RHODE ISLAND AVENUE, N.W.

WASHINGTON, D.C. 20036

OFFICE OF THE
GENERAL COUNSEL

March 12, 1990

TELEPHONE (202) 828-8301
TELEFAX (202) 861-0306

DELIVERED BY HAND

Federal Election Commission
Attn: Margery Emmons
Secretary of the Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: MUR 2991

Dear Ms. Emmons:

Enclosed please find 10 copies of the reply brief to the
February 9, 1990 brief of the FEC's General Counsel

Sincerely,

Robert Dowlut

Robert Dowlut
Deputy General Counsel

RD/ga

Enclosures

cc: FEC General Counsel

RECEIVED
FEDERAL ELECTION COMMISSION
90 MAR 12 PM 3:38

24043594802

March 12, 1990

Before The Federal Election Commission

In the matter of)
)
NRA Political Victory Fund)
and Grant A. Wills, as treasurer)
and) MUR 2991
)
National Rifle Association -)
Institute for Legislative Action)

REPLY BY NRA POLITICAL VICTORY FUND & NATIONAL RIFLE
ASSOCIATION'S INSTITUTE FOR LEGISLATIVE ACTION TO BRIEF OF FEC'S
GENERAL COUNSEL

I. Statement of the Case

NRA-ILA paid production costs and postage of two 1988
Political Victory Fund (PVF) fundraisers: (1) March, 1988, and
(2) July, 1988. The detail costs are as follows:

- (1) \$132,756.17 - Production Costs, March Fundraiser
- (2) \$91,315.90 - Production Costs, March Fundraiser
- (3) \$90,119.56 - Postage for Roll-Out of March Fundraiser
- (4) \$101,553.94 - Postage for July Fundraiser
- Total \$415,744.72

On August 1, 1988, PVF reimbursed ILA \$415,744.72. On
October 20, 1988, ILA returned to PVF the \$415,744.72.

On February 8, 1989, the FEC requested in a letter that it
be provided an explanation of a "refund of fundraising expenses"
on October 20, 1988, from NRA-ILA to the PVF in the amount of
\$415,744. The information was provided in a letter of March 17,
1988 [sic].

On May 17, 1989, the FEC advised in a letter that the
\$415,744 reimbursement was made beyond the 30 days permitted by
11 C.F.R. §114.5(b)(3) and recommended that the full amount be
refunded to NRA/ILA or, in the alternative, be transferred to an
account not used to influence federal elections. PVF responded
in a letter of June 13, 1989, and advised the FEC of its
mischaracterization of the explanation set forth in PVF's letter

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of March 17, 1989, advised FEC that it did no wrong, and urged FEC not to take further legal steps in this matter.

On November 2, 1989, the FEC in a letter advised NRA/ILA and PVF that on October 17, 1989, it found that there is reason to believe a violation of the Federal Election Campaign Act occurred. The letter also contained interrogatories and a request for production of documents.

PVF and NRA/ILA responded on November 30, 1989, to FEC's November 2, 1989, interrogatories and request for production of documents.

On February 9, 1990, the Office of the FEC General Counsel advised NRA/ILA and the PVF that it is prepared to recommend to the Commission that it find probable cause to believe that a violation of the Federal Election Campaign Act occurred, namely, that PVF violated 2 U.S.C.A. §441b(a) by accepting a corporate contribution and that NRA/ILA violated 2 U.S.C.A. §441b(a) by making corporate contributions to PVF.

II. Reply

NRA/ILA may consistent with the Federal Election Campaign Act pay for the production costs and postage of the PVF fundraisers. This is what NRA/ILA chose to do when it paid the \$415,744.72 for PVF's March, 1988, and July, 1988, fundraisers.

PVF on August 1, 1988, reimbursed NRA/ILA the \$415,744.72 for the production and postage costs NRA/ILA had previously paid. On October 20, 1988, NRA/ILA returned the \$415,744.72 to PVF. Between August 1, 1988, and October 20, 1988, PVF determined that it should have adhered to its decision not to reimburse NRA/ILA.

What occurred is not an unauthorized contribution by NRA/ILA to PVF and is not an unauthorized receipt of corporate funds by the PVF within the meaning of the statute. The motive here was to return a reimbursement. The FEC does not challenge the categorization of that motive. The law specifically recognizes the special relationship between a political action committee and a corporation.

For the \$415,744.42 in question, both NRA/ILA and the PVF had the same source of funds, namely, NRA members. See the attached affidavit of Grant A. Wills, treasurer of the PVF and fiscal officer for NRA/ILA.

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Even if a technical violation occurred, this is a de minimis matter.^{1/} The source of funds were contributions from NRA member of less than \$1,000, and none of the funds transferred on October 20, 1988, included corporate or labor union contributions.

NRA itself is a not-for-profit corporation with a \$501 (c) (4) IRS status. The Institute for Legislative Action is a division of NRA whose mission is to have the sole responsibility to administer the legislative, legal, informational, and fundraising activities of NRA relating to the defense and furtherance of the right to keep and bear arms.

With the NRA-ILA you are dealing with a not-for-profit corporation. The concern underlying the regulation of corporate political activity - that organizations that amass great wealth in the economic marketplace not gain unfair advantage in the political marketplace - is absent with regard to NRA-ILA.

NRA/ILA is a not-for-profit corporation having features more akin to voluntary political associations than business firms. NRA/ILA political fundraising events are expressly denominated as requests for contributions that will be used for political purposes.

While NRA/ILA may derive some advantage from its corporate form, those are advantages that redound to its benefit as a political organization, not as a profit-making enterprise. Voluntary political associations do not suddenly present the specter of corruption merely by assuming the corporate form.

^{1/} The FEC's office of the General Counsel places reliance on FEC v. National Rifle Association, No. 85-1018, U.S. District Court for the District of Columbia, to claim that the NRA and NRA-ILA used corporate treasury funds for various election related activities in connection with federal elections during the 1978, 1980, and 1982 election cycles. FEC General Counsel's Brief at p.4, n.2. The court, however, ordered on September 6, 1989, that defendant NRA need not file a reply memorandum to the FEC's memorandum in support of proposed final order and judgement until 10 days after such time as the court issues an order ruling on NRA's motion for reconsideration. Therefore, the pendency of the motion for reconsideration means that the case is devoid of a final judgement.

III. Conclusion

The Federal Election Commission should decline to find probable cause to believe that NRA-ILA and PVF violated 2 U.S.C.A. §441b(a).

Respectfully submitted,

Robert Dowlut

Robert Dowlut
Attorney for NRA-ILA and PVF

12 March 1990

24043594806

City of Washington)
)
District of Columbia) SS:

RE: MUR 2991

Comes now Grant A. Wills, Treasurer of the National Rifle Association of America Political Victory Fund and Fiscal Officer of the National Rifle Association of America Institute for Legislative Action, after being duly sworn, deposes and states the following:

1. That of the total corpus of NRA/ILA funds, the \$415,744.42 in question came from contributions of less than \$1,000 from NRA members only, which are electronically segregated from other sources of funds.
2. NRA members are the sole source of contributions to the PVF.

Further affiant saith not.



Grant A. Wills

Subscribed to and sworn before me, a notary public, this 12th day of March, 1990.



Notary Public

My commission expires July 14, 1994.

24043594807

90 APR 11 PM 4:05

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of)
)
NRA Political Victory Fund and)
Grant A. Wills, as treasurer)
)
National Rifle Association -)
Institute for Legislative Action)

MUR 2991

MAY 1 1990

EXECUTIVE SESSION

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On October 17, 1989, the Commission found reason to believe that the NRA Political Victory Fund (the "Committee"), the separate segregated fund of the National Rifle Association ("NRA"), and Grant A. Wills, as treasurer, violated 2 U.S.C. § 441b(a) by accepting corporate contributions. On that same date, the Commission found reason to believe that the National Rifle Association-Institute for Legislative Action ("NRA-ILA") violated 2 U.S.C. § 441b(a) by making corporate contributions to a federal political committee.

On November 30, 1989, the Committee and the NRA-ILA submitted responses to the Commission's reason to believe findings and answers to the interrogatories. Neither the Committee nor the NRA-ILA requested pre-probable cause conciliation in this matter. On February 9, 1990, this Office mailed a brief to counsel representing both the Committee and the NRA-ILA. On March 12, 1990, counsel for the Committee and the NRA-ILA submitted a response brief.

II. ANALYSIS

The Federal Election Campaign Act of 1971, as amended (the "Act"), prohibits corporations from making contributions or

24043594808

expenditures in connection with a federal election and prohibits political committees from knowingly accepting prohibited corporate contributions or expenditures. 2 U.S.C. § 441b(a). Pursuant to 2 U.S.C. § 441b, the term "contribution or expenditure" does not include the establishment, administration and solicitation of contributions by a corporation for its separate segregated fund to be utilized for political purposes. 2 U.S.C. § 441b(b)(2)(C). Commission Regulations provide that a corporation may use general treasury monies for the establishment, administration and solicitation of contributions to its separate segregated fund. 11 C.F.R. § 114.5(b). If the separate segregated fund pays any solicitation or other administrative expenses from its own account, which expenses could be paid for as administrative expenses by the collecting agent, the collecting agent may reimburse the separate segregated fund no later than thirty (30) calendar days after the expenses are paid by the separate segregated fund. 11 C.F.R. § 114.5(b)(3).

In the present matter, the Committee, in its 1988 September Monthly Report, disclosed a \$415,744.72 disbursement on August 1, 1988 for 1988 Fundraising Expenses to the NRA-ILA. In its 1988 30 Day Post-General Election Report, the Committee disclosed a receipt of \$415,744.42 on October 20, 1988 from the NRA-ILA. The Committee noted in the report entry that the money was for a refund of fundraising expenses.

This Office relies on its analysis in the brief.

In the response brief, the Committee and the NRA-ILA set

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forth the same explanation for the transaction which they had included in the response to the Commission's reason to believe findings that is that the October 20, 1988 payment from the NRA-ILA to the Committee was a return of the reimbursement made by the Committee. The Respondents further state that the NRA is a not-for-profit corporation with § 501(c)(4) status. The Respondents argue that as a not-for-profit corporation, the NRA-ILA is more akin to a voluntary political association rather than a corporation. Accordingly, the Respondents assert that the concern underlying the regulation of corporate activity, that corporations that amass wealth in the economic marketplace will gain an unfair advantage in the political marketplace, is absent with regard to the NRA-ILA. It appears that the NRA is attempting to invoke an MCFL analysis. See FEC v. Massachusetts Citizens For Life, 479 U.S. 238 (1986). The recent Supreme Court decision in Austin v. Michigan State Chamber of Commerce makes it clear that MCFL is not available to the NRA. Austin v. Michigan State Chamber of Commerce, No. 88-1569, slip op. (U.S. March 27, 1990). Moreover, in an affidavit, Grant A. Wills, the treasurer of the Committee, asserts that the \$415,744.42 in funds from the NRA-ILA came only from contributions of less than \$1,000 from NRA members. Wills further asserts that these funds from NRA members are electronically segregated from other sources of funds.

Although the Committee and the NRA-ILA indicate that the funds transferred did not include corporate or labor union contributions or contributions in excess of the limits of the Act, the NRA itself is a corporation. This Office does not

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question the propriety of the NRA-ILA paying for the fundraising expenses on behalf of the Committee in the first instance or the Committee's reimbursement of the costs of the fundraising expenses to the NRA-ILA. It was the NRA-ILA's attempt to return that reimbursement to the Committee that runs afoul of the Act. Accordingly, based on the foregoing analysis, the Committee accepted a corporate contribution of \$415,744.42 from the NRA-ILA when the NRA-ILA tried to return the reimbursement to the Committee on October 20, 1988. Moreover, the NRA-ILA made a corporate contribution of \$415,744.42 to the Committee in violation of the Act. Therefore, this Office recommends that the Commission find probable cause to believe that NRA Political Victory Fund and Grant A. Wills, as treasurer, violated 2 U.S.C. § 441b(a) by accepting corporate contributions totaling \$415,744.42 from the NRA-ILA. Furthermore, this Office recommends that the Commission find probable cause to believe that the National Rifle Association-Institute for Legislative Action violated 2 U.S.C. § 441b(a) by making corporate contributions totaling \$415,744.42 to a federal political committee.

III. DISCUSSION OF CONCILIATION AND CIVIL PENALTY

The NRA Political Victory Fund and Grant A. Wills, as treasurer, violated 2 U.S.C. § 441b(a) by accepting corporate contributions totaling \$415,744.42 from the National Rifle Association-Institute for Legislative Action. The National Rifle Association-Institute for Legislative Action violated 2 U.S.C. § 441b(a) by making corporate contributions totaling \$415,742.42

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to the NRA Political Victory Fund. The NRA Political Victory Fund has not refunded this corporate contribution to the National Rifle Association-Institute for Legislative Action.

2 4 0 4 3 5 9 4 8 1 2

IV. RECOMMENDATIONS

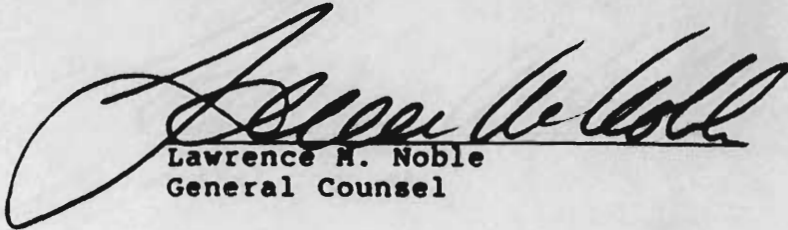
1. Find probable cause to believe that the NRA Political Victory Fund and Grant A. Wills, as treasurer, violated 2 U.S.C. § 441b(a).

2. Find probable cause to believe that the National Rifle Association-Institute for Legislative Action violated 2 U.S.C. § 441b(a).

3. Approve the attached conciliation agreement and letter.

Date

4/11/90


Lawrence M. Noble
General Counsel

Attachments

1. Conciliation Agreement
2. Letter

Staff assigned: Frania Monarski

24043594813

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
NRA Political Victory Fund and) MUR 2991
Grant A. Wills, as treasurer)
)
National Rifle Association - Institute)
for Legislative Action)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the
Federal Election Commission executive session on April 24,
1990, do hereby certify that the Commission decided by a
vote of 4-1 to take the following actions in MUR 2991:

1. Find probable cause to believe that the
NRA Political Victory Fund and Grant A.
Wills, as treasurer, violated 2 U.S.C.
§ 441b(a).
2. Find probable cause to believe that the
National Rifle Association-Institute for
Legislative Action violated 2 U.S.C.
§ 441b(a).

(continued)

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3. Approve the conciliation agreement attached to the General Counsel's report dated April 11, 1990, subject to the following changes:

a) Correction of line seven in paragraph one on page one to state, probable cause to believe, in lieu of, reason to believe.

b)

4. Approve the letter attached to the General Counsel's report dated April 11, 1990.

Commissioners Elliott, Josefiak, McGarry, and Thomas voted affirmatively for the decision; Commissioner Aikens dissented; Commissioner McDonald was not present.

Attest:

H-26-90

Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

24043594815



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

May 2, 1990

Robert Dowlut, Deputy General Counsel
National Rifle Association of America
1600 Rhode Island Avenue, N.W.
Washington, D.C. 20036

RE: MUR 2991
NRA Political Victory Fund
and Grant A. Wills, as
treasurer

National Rifle Association
Institute for Legislative
Action

Dear Mr. Dowlut:

On April 24, 1990, the Federal Election Commission found that there is probable cause to believe your clients, the NRA Political Victory Fund and Grant A. Wills, as treasurer, and the National Rifle Association-Institute for Legislative Action, violated 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended, in connection with \$415,744.72 in corporate contributions made by the Institute for Legislative Action to the NRA Political Victory Fund.

The Commission has a duty to attempt to correct such violations for a period of 30 to 90 days by informal methods of conference, conciliation, and persuasion, and by entering into a conciliation agreement with a respondent. If we are unable to reach an agreement during that period, the Commission may institute a civil suit in United States District Court and seek payment of a civil penalty.

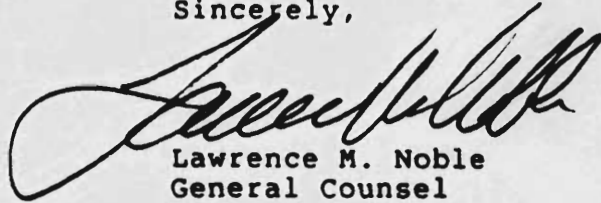
Enclosed is a conciliation agreement that the Commission has approved in settlement of this matter. If you agree with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission within ten days. I will then recommend that the Commission accept the agreement. Please make your check for the civil penalty payable to the Federal Election Commission.

24043594816

Robert Dowlut
Page 2

If you have any questions or suggestions for changes in the enclosed conciliation agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliation agreement, please contact Frania Monarski, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Lawrence M. Noble
General Counsel

Enclosure
Conciliation Agreement

24043594817

OEC 7349



NATIONAL RIFLE ASSOCIATION OF AMERICA

1600 RHODE ISLAND AVENUE, N.W.

WASHINGTON, D.C. 20036

90 AUG -9 AM 10:34

OFFICE OF THE
GENERAL COUNSEL

August 8, 1990

TELEPHONE (202) 828-8301
TELEFAX (202) 881-0306

Federal Election Commission
Attn: Frania Monarski
999 E Street, N.W.
Washington, D.C. 20463

Re: MUR 2991
National Rifle Association Institute For Legislative
Action and NRA Political Victory Fund and Grant A. Wills,
as Treasurer

Dear Ms. Monarski:

Please be advised that a committee met at NRA on the above-referenced matter under review. It concluded that no FEC law or regulation was broken either by the National Rifle Association's Institute For Legislative Action or by NRA Political Victory Fund and Grant A. Wills, as Treasurer.

In view of the committee's decision, further negotiations attempting to produce an admission that the conduct under review constituted a violation would be fruitless.

Sincerely,

Robert Dowlut
Deputy General Counsel

90 AUG -9 PM 12:19

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF THE GENERAL COUNSEL

24043594818

80 AUG 22 PM 4:57

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)

NRA Political Victory Fund and)
Grant A. Wills, as treasurer)

National Rifle Association -)
Institute for Legislative Action)

MUR 2991

SENSITIVE

SEP 18 1990

EXECUTIVE SESSION

GENERAL COUNSEL'S REPORT

I. BACKGROUND

24043594819
This matter was generated through a referral from the Reports Analysis Division. On April 24, 1990, the Commission found probable cause to believe that the NRA Political Victory Fund (the "Committee") and Grant A. Wills, as treasurer, violated 2 U.S.C. § 441b(a) by accepting corporate contributions totaling \$415,744.42 from the National Rifle Association-Institute for Legislative Action ("NRA-ILA"). On that same date, the Commission also found probable cause to believe that the NRA-ILA violated 2 U.S.C. § 441b(a) by making corporate contributions totaling \$415,744.42 to the Committee.

II. DISCUSSION OF CONCILIATION NEGOTIATIONS

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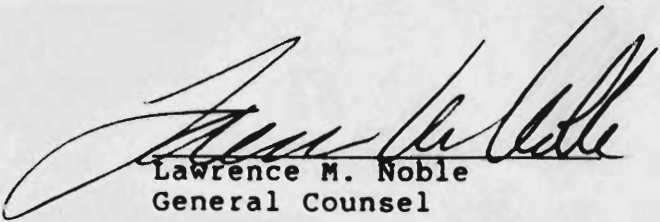
III. RECOMMENDATIONS

1. Authorize the Office of the General Counsel to file a civil suit for relief in the United States District Court against the NRA Political Victory Fund and Grant A. Wills, as treasurer, and the National Rifle Association-Institute for Legislative Action.

2. Approve the appropriate letter.

Date

2/22/70


Lawrence M. Noble
General Counsel

Attachment

1. NRA's Response

Staff Assigned: Frania Monarski

24043594821

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
NRA Political Victory Fund and) MUR 2991
Grant A. Wills, as treasurer)
)
National Rifle Association -)
Institute for Legislative Action)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the
Federal Election Commission executive session on
September 20, 1990, do hereby certify that the Commission
decided by a vote of 4-0 to take the following actions in
MUR 2991:

1. Authorize the Office of the General Counsel
to file a civil suit for relief in the
United States District court against the NRA
Political Victory Fund and Grant A. Wills, as
treasurer, and the National Rifle Association -
Institute for Legislative Action.
2. Approve the appropriate letter as recommended
in the General Counsel's report dated
August 22, 1990.

Commissioners Elliott, Josefiak, McGarry, and Thomas
voted affirmatively for the decision; Commissioners Aikens
and McDonald were not present.

Attest:

9-20-90
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

24043594822



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

September 21, 1990

Robert Dowlut, Deputy General Counsel
National Rifle Association of America
1600 Rhode Island Avenue, N.W.
Washington, D.C. 20036

RE: MUR 2991
NRA Political Victory Fund
and Grant A. Wills, as
treasurer

National Rifle Association
Institute for Legislative
Action

Dear Mr. Dowlut:

You were previously notified that on April 24, 1990, the Federal Election Commission found probable cause to believe that your clients, the NRA Political Victory Fund and Grant A. Wills, as treasurer, and the National Rifle Association-Institute for Legislative Action, violated 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended, in connection with the captioned matter.

As a result of our inability to settle this matter through conciliation within the allowable time period, the Commission has authorized the General Counsel to institute a civil action for relief in the United States District Court.

Should you have any questions, or should you wish to settle this matter prior to suit, please contact David FitzGerald, Assistant General Counsel, at (202) 376-8200, within five days of your receipt of this letter.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lawrence M. Noble", is written over the typed name and title.

Lawrence M. Noble
General Counsel

24043594823

NOTE: Where it is feasible, a syllabus (headnote) will be released, as is being done in connection with this case, at the time the opinion is issued. The syllabus constitutes no part of the opinion of the Court but has been prepared by the Reporter of Decisions for the convenience of the reader. See *United States v. Detroit Lumber Co.*, 300 U. S. 321, 337.

SUPREME COURT OF THE UNITED STATES

Syllabus

FEDERAL ELECTION COMMISSION *v.* NRA POLITICAL VICTORY FUND ET AL.

CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT

No. 93-1151. Argued October 11, 1994—Decided December 6, 1994

Petitioner Federal Election Commission (FEC) brought this civil action against respondents seeking to enforce a provision of the Federal Election Campaign Act (FECA). The District Court ruled against respondents. The Court of Appeals reversed and entered its judgment on October 22, 1993. Without first seeking or obtaining the Solicitor General's authorization, the FEC filed in its own name a petition for a writ of certiorari on January 18, 1994, two days before the expiration of the 90-day filing period mandated by 28 U. S. C. §2101(c). The United States filed a brief contending that the FEC lacked statutory authority to represent itself in this case in this Court, but that, pursuant to 28 U. S. C. §519(a) and its implementing regulation, the Solicitor General had authorized the FEC's petition by letter dated May 26, 1994. This authorization came more than 120 days after the §2101(c) filing deadline had passed. The FEC filed a brief in response asserting that it has independent statutory authority to represent itself in this Court.

Held:

1. The FEC may not independently file a petition for certiorari in this Court under 2 U. S. C. §437d(a)(6). That statute empowers the FEC "to . . . appeal any civil action . . . to enforce the provisions of [the FECA]," but it omits any mention of authority to file a "petition for a writ of certiorari" or otherwise conduct litigation before the Supreme Court. By contrast, 28 U. S. C. §§9010(d) and 9040(d) explicitly authorize the FEC to "appeal from, and to petition the Supreme Court for certiorari to review" (emphasis added), judgments in actions to enforce the presidential election fund laws, thereby indicating a congressional intent to restrict the FEC's independent

II FEC v. NRA POLITICAL VICTORY FUND

Syllabus

litigating authority in this Court to such actions. The contrasting language in §§9040(d) and 437d(a)(6) is particularly telling because these sections were originally enacted as part of the same legislation. The mere existence of sound policy reasons for providing the FEC with independent litigating authority in this Court for actions enforcing the FECA does not demonstrate a congressional intent to alter the Solicitor General's prerogative under §518(a) to conduct and argue the Federal Government's litigation here, since that statutory authority itself represents a policy choice by Congress. Nor is it dispositive that the FEC has represented itself before this Court in several FECA enforcement cases in the past, since none of those cases involved a challenge to the Court's jurisdiction. Moreover, the provisions authorizing the FEC to litigate in the federal courts are not the sort of substantive provisions which can be said to be within the agency's province to interpret. Pp. 2-9.

2. The Solicitor General's "after-the-fact" authorization does not relate back to the date of the FEC's unauthorized filing so as to make it timely. Under governing agency law principles, particularly the doctrine of ratification, the authorization simply came too late in the day to be effective: The Solicitor General attempted to ratify the FEC's filing on May 26, 1994, but he could not himself have filed a certiorari petition on that date because the 90-day time period for filing a petition had already expired. This result is entirely consistent with, and perhaps required by, §2101(c). If the Solicitor General were allowed to retroactively authorize untimely agency petitions, he would have the unilateral power to extend the 90-day statutory period by days, weeks, or, as here, even months. This would impermissibly blur §2101(c)'s jurisdictional deadline. Pp. 9-11.

Petition for certiorari dismissed for want of jurisdiction. Reported below: 6 F. 3d 821.

REHNQUIST, C. J., delivered the opinion of the Court, in which O'CONNOR, SCALIA, KENNEDY, SOUTER, THOMAS, and BREYER, JJ., joined. STEVENS, J., filed a dissenting opinion. GINSBURG, J., took no part in the consideration or decision of the case.

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

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